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Sent: 6/7/2018 2:05:37 PM

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(FYDIBOHF23SPDLT)/cn=Recipients/cn=abae82aa36da4d3383eae19a8efa683c-Feeley, Rob]

Subject: POLITICO's Morning Energy: Another mess for Pruitt — Virgin Islands party boss: Zinke ties improved hurricane

response — Coal magnate delivered draft orders to Trump

By Kelsey Tamborrino | 06/07/2018 10:00 AM EDT

With help from Darius Dixon, Anthony Adragna and Annie Snider

ANOTHER MESS FOR PRUITT: Scott Pruitt has an appetite for food from the White House mess — a U.S. Navy-run restaurant for use only by White House officials, Cabinet members and other dignitaries. In fact, he loves eating there so much, the White House asked him to stop coming by so often, POLITICO's Emily Holden, Andrew Restuccia and Anthony Adragna report.

The message was clear, according to one person close to Pruitt: "We love having Mr. Pruitt, but it's not meant for everyday use." A member of the White House's Cabinet affairs team told agency chiefs of staff last year that their bosses shouldn't treat the mess like their personal dining hall — a comment that came in response to Pruitt's recurring use of the restaurant, sources said.

Pruitt's allies privately disputed that the warning about overuse of the mess was aimed squarely at him, but nobody contests that he's a frequent presence at the establishment in the basement of the West Wing. The White House did not respond when asked about his lunch habits, and EPA declined to comment.

A <u>billing statement</u> from July 2017 offered a glimpse into Pruitt's trips to the mess, racking up a bill of \$400 over nine trips that month — a relative bargain in downtown Washington considering the menu. A cheeseburger at the White House runs just \$6.35, according to Pruitt's bill. Compare that to the \$17 you'd pay for a burger from another favorite Pruitt spot, French bistro Le Diplomate. Read <u>more</u>.

Support for Pruitt is also falling on Capitol Hill, Anthony and Emily report, in the wake of this week's news that Pruitt sought to buy a used mattress from the Trump Hotel and inquired about securing a Chick-fil-A franchise for his wife. Two more top aides to Pruitt — scheduler Millan Hupp and counsel Sarah Greenwalt — also are leaving the agency. "I'm not going to come down here, just because he happens to be a nominee of a president I support or a nominee from my party, and try to defend the indefensible," Sen. John Neely Kennedy said. More here.

On the other hand, <u>Cory Gardner</u>, who heads the Senate GOP campaign arm, told reporters he doesn't think Pruitt's ongoing ethics woes will harm his party in the midterms. "The states like Missouri, Indiana, North Dakota have benefited from a regulatory approach this administration has taken," Gardner said.

Environmentalists' "Boot Pruitt" campaign will gather a "group of cows" outside the Capitol South Metro station today from 8 a.m. to 9:15 a.m. to hand out fake Chick-fil-A coupons for a free chicken sandwich with a donation to Pruitt's legal defense fund. They'll hold signs reading: "Breeth Mor Carbun" and "What the Cluck, Pruitt?"

VIRGIN ISLANDS BOSS PLAYS UP ZINKE RELATIONSHIP: The head of the Virgin Islands Republican Party suggested his fundraising group's longstanding relationship with Interior Secretary Ryan Zinke helped improve the department's response to last year's hurricanes that struck the island territory, Pro's

Ben Lefebvre reports. John Canegata said he had direct access to Interior officials after the storm thanks to money his group raised for Zinke when he was a member of Congress.

Calling Zinke a "close friend," Canegata boasted of his connections in a televised <u>appearance</u> that aired in the Virgin Islands last month but has not received widespread attention outside of the territory. While numerous officials played a role in helping the islands recover from hurricanes Maria and Irma, "behind the scenes, trust me, a lot of telephone calls, a lot of maneuvering was going on because, I think, some of the relationships we built," Canegata said of Zinke.

Interior acknowledged that officials contacted Canegata after the hurricanes but said they did so as part of a wider effort to contact business leaders based in the territory and Zinke did not call him personally. Canegata works for Cruzan Rum, but a company representative told Ben he was not involved in coordinating its relief efforts. Interior expedited the reimbursement of taxes on Virgin Islands rum following the storms, but it was unclear whether Canegata influenced that decision; he did not respond to a request for comment.

For his part, Zinke has known Canegata since at least 2015, Ben reports. The secretary previously came under fire for a <u>fundraiser</u> for the VIGOP, as the group is known, during an official trip to the islands in his first month in President Donald Trump's Cabinet. Read <u>more</u>.

IT'S THURSDAY! I'm your host Kelsey Tamborrino. NRECA's Dan Riedinger correctly identified John Tyler as the only president to have not been a resident of the U.S. when he died. Tyler resided in Virginia at the time, which was part of the Confederate States of America. Today's question: Which Congress had the largest number of veterans in office? Send your tips, energy gossip and comments to ktamborrino@politico.com, or follow us on Twitter @kelseytam, @Morning Energy and @POLITICOPro.

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MURRAY DELIVERED EXECUTIVE ORDERS TO TRUMP: Coal magnate Bob Murray handed off drafts of six executive orders that would roll back Obama-era environmental regulations to Trump during the beginning of his administration, according to <u>documents</u> from DOE released under FOIA. The documents include a letter to Energy Secretary Rick Perry from Murray praising Trump's March 2017 energy independence executive order, and included a note where Murray wrote, "we have developed the enclosed materials for your review and consideration, consisting of: six (6) Executive Orders further rescinding anti-coal regulations of the Obama administration; and one (1) memorandum outlining the legal rationale for each of these action, and others."

While Trump did not sign those exact orders, the administration has moved to enact similar policies, Pro's Darius Dixon reports. The documents, which were sent to DOE the day Trump signed his energy independence order and one day before Murray met with Perry and DOE chief of staff Brian McCormack, also included concepts about grid security and "resiliency" that Perry later touted as part of his push to stop coal power plants from closing. Read more.

BAILOUT ON HIS MIND: In private remarks given during his visit to FEMA headquarters Wednesday, Trump mentioned a slew of topics that had nothing to do with hurricanes, The Washington Post <u>reports</u>, while only briefly mentioning Puerto Rico. Trump instead encouraged Perry to make an announcement about rescuing economically struggling coal and nuclear power plants, the Post reports. "I'd love to put it out — 'clean coal, nuclear,' it's a very important message," he said, telling Perry he needed to hold a news conference.

WRDA MOVES AHEAD: The House passed the Water Resources Development Act of 2018 (<u>H.R. 8 (115)</u>) last night, marking the first major piece of infrastructure legislation to move under the Trump administration, Pro's Annie Snider <u>reports</u>. Lawmakers signed off on the measure on a broadly bipartisan vote of 408-2. The bill — markedly narrower than the Senate's measure — would authorize six new Army Corps of Engineers projects and enact a suite of policy reforms at the red tape-laden agency.

What about the Senate? For those wondering, EPW Chairman John Barrasso told ME he'd not yet locked down a time for the Senate to consider its broader version of the water resources infrastructure legislation. Separately, Sen. <u>Tammy Baldwin</u> sent <u>this letter</u> to Trump, calling on him to urge Congress to include a permanent Buy America provision in the legislation.

MUM'S THE WORD: Barrasso, whose state produces a lot of coal and uranium, told ME he isn't ready to back Trump's <u>proposed bailout</u> for coal and nuclear power plants. "I've read the article but I want to actually see what the proposal is," he said. DOE is still formulating the details of how it would intervene to save the struggling plants.

RESCISSIONS VOTE TODAY: The House is set to vote today on Trump's \$15 billion rescissions bill, Pro's Sarah Ferris <u>reports</u>. The House Rules Committee teed up the bill, <u>H.R. 3 (115)</u>, on Wednesday, a quick turnaround that surprised even some GOP lawmakers.

ALL ABOARD: After the rescissions package, the House is ready to start debate on its "minibus" appropriations package, which includes energy and water, legislative branch and military construction-VA spending bills, Pro's Kaitlyn Burton <u>reports</u>. The Rules Committee has set up floor votes on 50 amendments to the energy and water title. A final vote on the overall bill is expected Friday.

SHIMKUS SPEAKS: Rep. <u>John Shimkus</u>, one of the most ardent Yucca Mountain champions in Congress, said his loud floor dispute with <u>Paul Ryan</u> on Tuesday was simply a dispute over "strategy going forward." Other members suggested it had to do with the timing of the Energy-Water bill, since Shimkus thinks delaying until after the midterms might allow Yucca language to make it into the title. The Senate has avoided tackling Yucca due to Sen. Dean Heller's close reelection contest.

POWER OF THE PEN: The House Appropriations Committee agreed to bar EPA from spending more than \$50 on a fountain pen. The <u>amendment</u> — an apparent reference to the \$1,560 Pruitt spent on a dozen fancy writing implements — passed on a voice vote at Wednesday's markup. The panel <u>cleared</u> its version of the fiscal 2019 EPA-Interior bill, on a vote of 25-20. Committee Republicans <u>blocked</u> an effort from Democrats to boost EPA's Office of Inspector General by \$12 million, but <u>approved</u> an amendment that would change revenue sharing for drilling in the Arctic National Wildlife Refuge. And while the pen amendment passed, the committee shot down another amendment from Democratic Rep. <u>Mike Quigley</u> related to Pruitt's travel.

MEETING WITH A FULL DECK: The last time the leadership of FERC and the Nuclear Regulatory Commission got together, there were just enough commissioners between the two agencies to fill one five-member board. Fast-forward to today, and it's a full house for the first time in years thanks to confirmation of two new NRC leaders last month. The get-together is slated to run for just over two hours. An agenda hasn't been released but the meetings usually involve staff presentations on grid reliability — and how it might be impacted by the retirement of nuclear plants — and cybersecurity regulations. Finding the areas where an

economic regulator overlaps with a safety watchdog isn't always obvious. The meeting is slated to run from 9 a.m. to 11:15 a.m. at FERC headquarters, and will be <u>webcast</u>.

ROYALTY RUMPUS: Interior's Royalty Policy Committee approved recommendations Wednesday aimed at expanding energy lease sales and lowering royalty rates, Ben recaps. But during the advisory committee's meeting, two members questioned whether it had the power to suggest changes to federal environmental review. "NEPA is not referred to in the [committee] charter," Rod Eggert, a professor at the Colorado School of Mines, said during the meeting. "The text in the charter refers to royalties and collections of royalties." Read more here.

Later Wednesday, BLM sent out a <u>memo</u> instructing field offices to look for ways to speed up permit processing, including by using categorical exclusions, Ben <u>reports</u>.

— **Meanwhile, the Central Arizona Project will meet today** on proposals for sourcing cheaper power to run the Navajo Generating Station. The Bureau of Land Reclamation last week sought to delay the coal-fired power plant's closure, arguing that a 1968 law gives Zinke the authority to require the Arizona water project buy energy from the power plant. Reuters has the rundown <u>here</u>.

GROUPS WARY OF INTERIOR DRAFT BILL: A coalition of sportsmen's groups is concerned about draft legislation that appeared before the House Natural Resources Energy Subcommittee on Wednesday. According to the <u>draft bill</u>, it would enable Interior to recover the costs of administrative protests to oil and gas lease sales, drilling permits and other applications. The bill, <u>they say</u>, would make it more difficult for sportsmen and women to comment on oil and gas lease sales on public land.

BLANKENSHIP IS BACK: Former coal baron Don Blankenship hasn't given up hope to take on the establishment and earn himself a spot in the Senate. After losing a primary bid to West Virginia Attorney General Patrick Morrisey, Blankenship's campaign <u>announced</u> Wednesday it is petitioning to gain ballot access for the general election as the nominee for the Constitution Party.

BIPARTISAN LETTER ASKS PRUITT TO DROP 'SECRET SCIENCE': More than 100 lawmakers — including Republican Reps. <u>Brian Fitzpatrick</u>, <u>Carlos Curbelo</u>, <u>Ryan Costello</u> and <u>Ileana Ros-Lehtinen</u> — signed onto a letter to Pruitt today, asking him to withdraw EPA's so-called secret science proposal to bar EPA from using studies that don't make public all their data. Read the letter <u>here</u>.

DEMS WARN AGAINST E15: Democratic Sens. <u>Tom Udall</u> and <u>Peter Welch</u> are calling on EPA to abide "by all legal and regulatory requirements" as the Trump administration weighs the year-round sale of 15 percent ethanol blends of gasoline. "We are very concerned that career EPA officials may be being directed to reverse over 25 years of the agency's position to manufacture legal and scientific justifications for a politically-directed decision on E15," they write. Read the <u>letter</u>.

MAIL CALL! RELEASE THE STUDY: A coalition of environmental groups will send this letter today to HHS Secretary Alex Azar, calling on him to release the controversial federal chemical pollution study blocked by EPA officials.

— Nineteen environmental groups filed a letter to the House in opposition of <u>H.R. 5895 (115)</u>, the so-called minibus, which they say sets up an improper use of water and natural resources, and undermines safe nuclear waste disposal. Read it here.

FOR YOUR RADAR: The International Wildlife Conservation Council, which came <u>under fire</u> for the biggame trophy hunters added to its ranks, will hold its next meeting June 19 in Atlanta, according to the <u>Federal Register</u>.

ON THE WEB: The Center for American Progress is launching a new website today that is dedicated to tracking legal challenges to the Trump administration's conservation agenda. See it <u>here</u>.

QUICK HITS

- The heat is back on high: May smashes U.S. temperature records, Associated Press.
- Man dies at Randolph County mine, <u>Charleston Gazette-Mail</u>.
- Hurricanes are traveling more slowly which makes them even more dangerous, <u>The Washington Post</u>.
- Trump falsely claims "We're now exporting energy for the first time," The New York Times.
- Trump's move to please farmers on biofuels reform draws refinery union ire, Reuters.

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